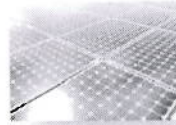


LATE TESTIMONY



SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

January 31, 2012, 9:00 A.M.

Room 229

(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF SB 2752

Chair Baker and members of the Committee:

The Blue Planet Foundation supports SB 2752, a measure which seeks to facilitate greater renewable energy adoption by reducing the level of imputed debt assumed by electric utilities when entering into power purchase agreements.

By enacting this legislation, the State of Hawaii will be telegraphing to financial rating agencies that observe and evaluate the effect of these power purchase agreements, including Standard & Poor's, that the risk and perceived debt equivalence on the electric utilities' balance sheets is minimized.

Reducing the imputed debt obligations of electric utilities can benefit electric utility customers by maximizing the utilities' ability to negotiate low cost, fixed price renewable energy contracts. In addition, the elimination of power purchase agreement-created imputed debt obligations of a utility can lower capital costs for that utility, which helps to mitigate energy costs for consumers through lower rates.

Thank you for the opportunity to testify.

LATE TESTIMONY

Testimony for CPN 1/31/2012 9:00:00 AM SB2752

Conference room: 229
Testifier position: Support
Testifier will be present: Yes
Submitted by: Warren S. Bollmeier II
Organization: Hawaii Renewable Energy Alliance
E-mail: wsb@lava.net
Submitted on: 1/30/2012

Comments:

Will be present if I finish EEP testimony in time

Warren